

**Alaska Waste - Interior, LLC
Cost of Fuel Surcharge (COFS) Update
Memorandum**

Date: **April 9, 2021**

Utility Name Alaska Waste - Interior, LLC	Utility File No. TA120-667	Date Filed: March 1, 2021
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FILING SUMMARY

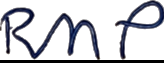



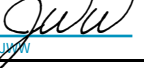
Statutory Deadline: April 15, 2021	Tariff Sheet recommended for approval: Tariff Sheet No. 50.1 March 1, 2021	Staff Recommended Effective Date: March 1, 2021
Side-by-side Tariff Sheets attached as Appendix 3		

COFS SUMMARY

Prior Commission Determination TA Number	Date of Prior Commission Determination	Prior Commission Determination	Staff Recommended Determination	Change
TA119-667	September 1, 2021	(2.7097%)	(5.5900%)	(2.8803%)


Jed Drolet

Reasons for the above recommendation: See Attached Memorandum

	Date, if different from 4/9/2021	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT*
Pickett				
Kurber				
Scott				
Sullivan				
Wilson				

Special Instructions to Staff: _____

* If this column is initialed, Staff will contact the Commissioner for the statement. Otherwise, dissent will be noted at the close of the By Direction Letter or Order.

**Alaska Waste - Interior, LLC
Cost of Fuel Surcharge (COFS) Update
Memorandum**

To: Robert M. Pickett, Chairman
Keith Kurber II
Antony Scott
Daniel A. Sullivan
Janis W. Wilson

Date: April 9, 2021

File: TA120-667

Utility: Alaska Waste - Interior, LLC

From: Jed Drolet

Subject: COFS

COFS Comments:

Staff reviewed this tariff filing to ensure compliance with applicable regulations (3 AAC 48.200-3 AAC 48.430). Staff also reviewed the proposed tariff sheets to ensure the stated text is easily understood, and the tariff provisions clearly and comprehensively describe and address the situation to which the tariff provision applies. Proposed revisions to COFS are reviewed pursuant to the methodology approved with Order No. U-09-014(10) and must be filed with documentation supporting entries in the balancing account for the historical period and projections for the future period.

Staff Notes:

The projected fuel costs decreased from \$5,046 to \$4,462. The balancing account balance decreased from (\$1,098) to (\$3,304). The projected revenue increased from \$99,456 to \$106,038. The decrease in projected fuel costs, decrease in the balancing account balance, and increase in projected sales combine to put downward pressure on the COFS. The overall effect is a decrease in Alaska Waste - Interior's (AWI) COFS from (2.7097%) to (5.59%).

Staff Recommendation:

The Commission should approve Tariff Sheet No. 50.1, filed March 1, 2021, by Alaska Waste - Interior, LLC with TA120-667. The effective date of the tariff sheet should be March 1, 2021.

AWI filed a revenue requirement study (RRS) on December 23, 2019, designated as TA115-667. TA115-667 was suspended into U-20-004 on February 6, 2020 (see Order No. U-20-002(1)/U-20-003(1)/U-20-004(1)/U-20-005(1)/U-20-006(1)/U-20-007(1)/U-20-008(1)/U-20-009(1)/U-20-010(1), issued February 6, 2020). Staff does not recommend suspension of TA120-667 into AWI's pending RRS as the COFS is calculated using the base cost of fuel from the most recently approved RRS (see Tariff Sheet No. 50.1, at 6). The pending RRS has not been approved; as such there is not a new base cost of fuel to use in calculating the COFS. AWI will submit an updated fuel surcharge calculation once the new base cost of fuel has been established by the Commission (see tariff advice letter for TA115-667, at 3).

Alaska Waste - Interior, LLC
Calculation and Comparison of Residential Bill
TA120-667

Customer Bills	Prior Determination	Updated Determination	Change
Surcharge (%)	(2.7097%)	(5.5900%)	(2.8803%)
Customer Bill			
1X 96 Gallon Roll Cart	\$54.48	\$54.48	\$0.00
Regulatory Cost Charge @0.756%	\$0.41	\$0.41	\$0.00
Surcharge Amount (\$)	(\$1.48)	(\$3.05)	(\$1.57)
Total Customer Bill (\$)	\$53.41	\$51.84	(\$1.57)

Alaska Waste - Interior, LLC
Cost of Fuel Surcharge Amount
TA120-667

Calculation of Cost of Fuel Surcharge			
Line	Description	Prior Determination	Updated Determination
A	Estimated Per Unit Fuel Cost	\$ 2.5412	\$ 2.20
B	Estimated Fuel Consumption	1,985.85	2,028.000
C	Total Estimated Fuel Costs (A*B)	\$ 5,046.44	\$ 4,462
D	Balancing Account Balance	\$ (1,098.16)	\$ (3,304)
E	Total (C+D)	\$ 3,948.28	\$ 1,158
F	Estimated Retail Sales	\$ 99,456	\$ 106,038
G	Projected Cost of Fuel (E/F)	3.9699%	1.0924%
H	Base Cost of Fuel	6.6796%	6.6796%
I	Cost of Fuel Surcharge Amount (G-H)	(2.7097%)	(5.59%)


Actual Costs			
	Prior Quarter	Reported Quarter	Change
Per Unit Fuel Cost	\$ 2.21	\$ 2.19	\$ (0.02)
Total Fuel Cost	\$ 4,867.78	\$ 4,052.07	\$ (815.71)
Balancing Account	\$ (1,098.16)	\$ (3,303.70)	\$ (2,205.54)
Actual Revenues			
	Prior Quarter	Reported Quarter	Change
Surcharge Revenues	\$ 152.33	\$ (1,116.94)	\$ (1,269.27)
Base Cost Revenues	\$ 101,671.78	\$ 110,404.09	\$ 8,732.31

Signature: 
Email: bob.pickett@alaska.gov

Signature: 
Email: keith.kurber@alaska.gov

Signature: 
Email: antony.scott@alaska.gov

Signature: 
Email: daniel.sullivan@alaska.gov

Signature: 
Email: janis.wilson@alaska.gov

RCA NO. <u>667</u> <u>Forty-second Revision</u> SHEET NO. <u>50.1</u> <div style="text-align: center; margin-top: 10px;">Canceling</div> <div style="text-align: center; margin-top: 10px;"><u>Forty-first Revision</u> SHEET NO. <u>50.1</u></div>	<div style="font-size: 1.2em; font-weight: bold; margin-bottom: 5px;">RECEIVED</div> <div style="font-weight: bold; margin-bottom: 5px;">SEP 01 2020</div> <div style="font-size: 0.8em;">STATE OF ALASKA REGULATORY COMMISSION OF ALASKA</div>																																					
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